



*Magnetic Media
Reporting
Requirements
for Forms 1098,
1099, 5498, W-2G*

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Section A

General Reporting Information

Publication Content	<p>This manual provides the requirements for filing Forms 1098, 1099, 5498 and W-2G information returns on magnetic media to the California Franchise Tax Board (FTB). Our filing requirements parallel those of the Internal Revenue Service (IRS). See IRS Publication 1220, Specifications for Filing Forms 1098, 1099 series, 5498 and W-2G Magnetically or Electronically for details. However, we may require additional information in some data fields. We do not offer electronic filing for the above forms at this time.</p> <p>When the IRS modifies its magnetic media filing instructions and/or formats, we conform if the changes are relevant. Current filers will be notified of relevant changes in a letter included with the annual reporting package mailed to them in November.</p> <p>Our website, www.ftb.ca.gov, has the current forms and instructions.</p>
Magnetic Media Filing Regulations	<p>We conform to federal regulations regarding magnetic media filing of Forms 1098, 1099, 5498 and W-2G information returns. Information return volumes that meet the prescribed threshold must be filed on magnetic media. The volume threshold of 250 or more applies to all forms reportable to California: 1098, 1098-E, 1098-T, 1099-A, 1099-B, 1099-C, 1099-DIV, 1099-G, 1099-INT, 1099-LTC, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, 1099-S, 5498 or W-2G.</p> <p>The 250-or-more return threshold applies to each return type; i.e., it is not an aggregate amount. For example, a payer that has 249 interest (1099-INT) and 249 dividend (1099-DIV) returns to file would not have a mandatory California magnetic media filing requirement. However, we encourage payers with less than 250 returns of one type to file magnetically.</p> <p>In most cases, our dollar threshold parallels those of the IRS; i.e., 1099-INT: \$10 or more, 1099-B: all amounts, etc. Our rules allow payers to file all California returns in accordance with the limits prescribed by the IRS. Payers may file California returns that are under the prescribed dollar limits.</p>

Reportable Income and Residency Guidelines

The following guidelines can be used to determine whether payments are income that is reportable to California and whether the recipient of the payment was a resident or nonresident of the state. The guidelines are only for your assistance. They do not represent a legal opinion by the Franchise Tax Board on the reportability of any payment or the residency status of any payee. The payer always has ultimate responsibility for correctly determining whether a payment is reportable. Call the Information Reporting call site at (916) 845-6304 with your questions regarding reportable payments.

Income Reportable to California

Resident: ALL income received by a California resident, regardless of source, is taxable by California and must be reported, unless specifically excluded by statute. See the Guide to Information Returns for California at the back of this booklet or refer to FTB's website at www.ftb.ca.gov.

Part Year Resident: ALL income received while a California resident, regardless of source, and all income, excluding intangible income, received from California sources while a nonresident is taxable by California and must be reported. Nonreportable intangible income includes:

- Dividends
- Interest
- Gains from the sale of stock
- Pensions

Nonresident: Income not listed as "intangible income" above that is received from California sources may be taxable by California even though the payee may not have a California address. Reportable income includes:

- Income from services performed in California
- Income received by operating a business or profession in California
- Income from ownership, control, management, sale or transfer of real or tangible personal property located in California

Determination of Resident Status

A payee who is in California for other than a temporary or transitory purpose is considered to be a California resident. Amounts paid to the payee should be reported to California on the appropriate information return.

In addition, a payee domiciled in California who is outside California for a temporary or transitory purpose is also considered to be a California resident. Amounts paid to the payee should be reported to California using the appropriate information return format.

<hr/> Information Returns Not Required on Magnetic Media	<p>Presently, forms 1099-MSA and 5498-MSA are not compulsory California returns. However, since some payers prefer to file all copies of their federal returns with their California returns, these returns will be allowed if mixed with other return types; e.g., 1099-MSA and 1099-MISC. Media files that contain only forms 1099-MSA or 5498-MSA returns must not be submitted to California.</p>
<hr/> Acceptable Media	<p>California returns may be submitted on standard ½ inch tape reels, IBM compatible 3480 or 3490 tape cartridge, 3½ inch diskette or on CD. Media specifications are listed in the California Filing Specifications section of this manual.</p> <p>We cannot accept 4mm, 8mm or QIC cartridges or 5¼ inch diskettes.</p>
<hr/> Mailing Preparation	<p>An external label must appear on each volume submitted. It must contain the submission date, your organization's name and sequence of each volume submitted; e.g., 1 of 2, 2 of 2, etc. If only one volume is submitted, it must be labeled 1 of 1.</p> <p>A completed California State Transmittal (FTB 3601) must accompany the transmitter's medium file. It must not be mailed separately. Transmitters that are approved to file with California will automatically receive an annual filing package each year, usually in November. The package will include a transmittal (form FTB 3601) and an information bulletin that highlights California's filing changes for the year.</p> <p>Transmitters are urged to assemble all of their media files together into one package rather than package each one individually. Information return processing by California is accelerated when filers comply with this procedure.</p>
<hr/> Problem Files	<p>FTB may return media files that do not meet California's edit standards to the transmitter for correction and replacement. Replacement files must be returned to California within the time frame stipulated on the accompanying problem letter. Transmitters that do not comply may be subject to California's failure-to-file penalty.</p> <p>Transmitters who have their files returned for correction by the IRS are urged to call California and discuss the matter before attempting to create a California replacement file. California and federal needs are not always the same and a replacement file may not be necessary.</p>

1099 TestWare

The 1099 TestWare is a tool you can use to test your data before submission. It is a PC program that can be downloaded from our website, www.ftb.ca.gov. From our homepage select "Electronic Services" and then select the "Business" piece of the puzzle.

Filing Dates

The due date for filing California Information Returns is February 28, except for state 5498 files, which are due by May 31. If the due date falls on a Saturday, Sunday, or a legal holiday, the due date is extended to the next business day.

First Time Filers

Organizations that intend to file state information returns on magnetic media for the first time should file a Magnetic Media Filing Application (form FTB 4092) by December 31. A copy is included in this publication.

Either the payer, or an agent (transmitter) acting on behalf of the payer may complete the filing application. The payer includes: the person making the payments; a broker; a barter exchange; a person reporting real estate transactions; a trustee or issuer of an Individual Retirement Arrangement (IRA), Simplified Employee Pension (SEP) or SIMPLE retirement account. The transmitter is the organization submitting the magnetic media file.

Agents that transmit for one or more payers need only file one application noting each payer name and pertinent document information. An attached payer name list is acceptable. Once an agent establishes a filing procedure with us, they do not have to inform us of any changes to its list of reporting clientele.

Usually, we respond to each filing application within three weeks of receipt. We notify applicants by mail if the request to file is approved. If system compatibility problems exist, applicants are notified by telephone. For this reason, it is important that the name and telephone number of a qualified contact is listed on the filing application.

Once the California filing procedure is established, transmitters need not file another application unless there is a break in their filing pattern.

We do not assign a Transmitter Control Code (TCC) once filing approval is granted. Instead, transmitters are allowed to report the TCC assigned to their organization by the IRS.

**Combined
Federal/State
Filing Program**

We encourage magnetic media filers to participate in the IRS Combined Federal/State Filing Program. Transmitters must apply to and be approved by the IRS to qualify as a combined filer. When qualified, files should be submitted to the IRS only. The IRS processes the file, and then forwards California's returns, saving payers the cost and effort of having to produce a separate California media file. Information returns that may be filed using the Combined Program are Forms 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, and 5498.

Approval for combined filing is obtained by first testing with the IRS in November and December of each year. Refer to IRS Pub.1220 or call the IRS at (304) 263-8700 for information on the Combined Federal/State Program. When the IRS accepts the file, it sends an approval letter to the transmitter. Transmitters who choose this option should not file an application with the Franchise Tax Board in California. Instead, a copy of the approval letter for combined filing from IRS should be forwarded to the address listed in the Information Contact section of this manual. Transmitters not participating in the Combined Federal/State Filing Program must file their magnetic media directly with the FTB.

**Requesting a
Hardship Waiver**

If California's mandatory magnetic media reporting regulation causes an undue hardship, payers may request an exemption from filing on magnetic media by submitting a Request for Waiver From Filing Information Returns on Magnetic Media (form FTB 6274). A form is provided at the back of this manual.

Waiver requests must be postmarked no later than the return due date; i.e., the last day in February for all information returns, except for Form 5498, which is May 31.

Waivers are only valid for the requested tax year and must be reapplied for each subsequent year.

**Requesting a
Filing Extension**

A California magnetic media filing extension may be obtained by submitting a Request for Extension to File Information Returns on Magnetic Media (form FTB 6274A). A form is provided at the back of this manual. Payers needing an extension beyond 90 days must first obtain verbal approval by calling (916) 845-3778.

Extension requests must be postmarked no later than the return due date; i.e., February 28 for all information returns, except for the Form 5498 which is May 31.

Testing Procedure

Media testing with California is not mandatory. However, first-time filers, software and service providers, organizations that have experienced a major system change or those that change their medium type (e.g., from tape to diskette) may wish to send a test file. The test period extends from November 1 through December 31. The necessary testing procedures will be furnished upon request. Test results will be reported back to the requesting organization within 30 days of file receipt.

Use our 1099 TestWare to check your data file before submission.

Filing Corrected Returns

Corrections to California returns previously submitted on magnetic media are allowed in the following ways:

- Corrections should be submitted on magnetic media, if possible, for faster processing. Low volume corrections (less than 250) may be submitted on paper. If the Payer/Transmitter agent is located in California, paper corrections need only be filed with the IRS and the corrections will be forwarded to the Franchise Tax Board in California. If the Payer/Transmitter is not located in California, paper corrections must be mailed to the Franchise Tax Board directly to the address listed in the Information Contact section. These corrections must be accompanied by the IRS Form 1096, Annual Summary and Transmittal of U.S. Information Returns.
- Corrections of 250 or more submitted on magnetic media must use the standard IRS correction format; i.e., the value "G" in the Corrected Return Indicator field of the Payee "B" Record. Send the file to the address listed in the Information Contact section of this manual. California's FTB 3601 transmittal must accompany the correction file with the correction box at the top appropriately marked.
- Correction returns may be submitted on the same medium with noncorrections. If corrections are reported in this manner, they must be reported under a separate Payer "A" Record. Do not mix them together with noncorrections under the same Payer "A" Record.
- Corrections for the current tax year should be aggregated and filed no later than September 1 in order to post timely in the state's correction system.
- Corrections to returns submitted through the Combined Federal/California Program need not be submitted. They will be forwarded to California by the IRS.

Information Contact

Requests for forms or information about reporting information returns to California may be obtained by calling (916) 845-3778 between the hours of 8:00 a.m. and 4:00 p.m. Pacific Time Zone.

The addresses for filing media returns, requests for hardship waivers, filing extensions, or anything else regarding California magnetic media reporting are:

SHIPPING

Magnetic Media
Service and Supply
Franchise Tax Board
9645 Butterfield Way
Sacramento CA 95827

POSTAL SERVICE

Magnetic Media
Franchise Tax Board
PO Box 942840
Sacramento CA 94240-6090

For federal magnetic media filing information, the number to call is (304) 263-8700 between the hours of 8:30 a.m. and 6:00 p.m. Eastern Time Zone.

Common Filing Errors To Avoid

The following list highlights some of the more common errors encountered that result in files being returned for replacement. Transmitters are encouraged to read each entry carefully in order to avoid this costly and time consuming process.

- Tape file block lengths that exceed 32,250 characters.
- Block lengths that are not evenly divisible by the record size.
- Inconsistent block lengths. All data blocks (excludes header and trailer blocks) must be the same size. The last block may be a "short" block, but it must be an even multiple of the record length.
- Tape files containing variable-length block sizes instead of the required fixed-length block size.
- Tape files that contain header and trailer records (labels) that are not properly separated from the data records by tapemarks. The last data record on the file must always be followed by one or more tapemarks regardless of whether or not trailer labels are reported.
- Wrong coding in the Type of TIN in position 11 of payee "B" record.
- Diskette files that contain multiple nonrelated file names in the directory. Report only the intended California reports on the diskette. Do not include with nonrelated files.

Common Filing Errors To Avoid (Cont.)

- Payment amount fields in the Payee “B” Records that do not agree with the amount indicators in the Payer “A” Record. For example, if the amount indicators are reported “134bbbbbbb” then the payment amounts must be entered in Payment Amount Fields 1, 3 or 4 of each return reported.
- Not correctly zero-filling the Payee “B” Record Payment Amount fields. The fields that are used, i.e., contain payment amounts, must be right justified and zero-filled to the left. The fields that are not used must be completely zero-filled. This same entry logic applies when entering totals in the End of Payer “C” Record Control Total fields.
- Filing non-California returns on California’s file without properly coding them for bypass. Returns that fit the “Non-California” category are explained in the Reportable Income and Residency Guidelines section of this manual. The coding for bypassing records is described in the Data Specifications section. When properly flagged, California’s programs will ignore these returns. However, the best policy is to only file payee returns that are reportable to California.
- Media files received without an enclosed FTB 3601 Transmittal. Files cannot be properly logged and validated without this transmittal.
- Transmittals (FTB 3601) that contain dollar amounts that do not agree with amount accumulations and totals entered on the media file. Transmittal amounts should always agree with the ‘C’ records on the file.
- Transmitters that piecemeal their media files to California. Please send all files together, in the same package if possible.
- Not providing the necessary and valid control information to enable California to properly match and post information returns to the records on its files. Valid control information includes entering correct information in: (1) the Taxpayer Identification Number (TIN) field; (2) California’s Surname Indicator field and/or Name Control field; and (3) properly formatting the payee names in the First Payee Name Line. Improperly prepared returns may result in incorrect posting to California’s files and the mailing of California tax notices to payees who should not receive them.
- Media files that do not comply with any other formatting rules and requirements set forth in this manual and the corresponding federal publications. The data must be entered in the stipulated format. Transmitters failing to do so may have their files returned for replacement.
- Enter only one address in address field. Do not use both PO Box and street address.

Definition of Terms

ASCII	American National Standard Code For Information Interchange. A recording code utilizing a 128 character set.
FILE	For purposes of this procedure, a file consists of one Transmitter "T" Record at the beginning of the file, followed by a Payer "A" Record, Payee "B" Record, and an End of Payer "C" Record after each set of "B" Records. The last record on the file will be the End of Transmmission "F" Record. Nothing should be reported after the End of Transmission "F" Record.
EBCDIC	Extended Binary Coded Decimal Interchange Code. A recording code utilizing a 256 character set.
LABEL, EXTERNAL	A gummed label attached to the outside of a tape or diskette file. It contains transmitter information necessary for file control purposes.
LABEL, INTERNAL	A machine-readable label that provides control information about a set of data on a medium such as a magnetic tape reel or cartridge.
NONREPORTABLE INTANGIBLE INCOME	Nontaxable California income; i.e., payee information returns for pensions, interest, dividends and gains from sale of stock whose resident address is not in California are deemed nonreportable income. See Reportable Income and Residency Guidelines section of this manual.
PAYEE	Person(s) or organization(s) receiving payments from the payer or for whom an information return must be filed.
PAYER	Includes the person or organization making payments; reporting real estate transactions; broker and barter exchanges; trustees or issuers of Individual Retirement Arrangements (IRA) or Simplified Employee Pension (SEP) accounts.
TAPE MARK	An internal tape identifier used to separate data records from the internal label records. Used by the system to locate the beginning and end-of-file.
TIN	Taxpayer Identification Number. For individuals, it is the nine-digit Social Security Account Number issued by the Social Security Administration. For businesses, it is the nine-digit Federal Employer Identification Number issued by IRS.

**Definitions of
Terms (Cont.)****TRANSMITTER**

The person or organization submitting magnetic media.
This may be the payer or the payer's agent.

**TRANSMITTER
CONTROL
CODE (TCC)**

A five-digit control number issued by IRS to
organizations for filing control purposes. California does
not assign a similar number. Preparers may report the
IRS TCC in the designated field on California's file.

Section B

California Filing Specifications

California Filing Specifications

These provisions define the media and data elements necessary to report successfully to the state. We encourage preparers of state information returns to carefully follow these instructions, as well as the federal instructions. In some cases the state's compliance needs will be more demanding than those of the IRS. Noncompliance may result in the file being returned for replacement.

The federal and state requirements and conditions for filing Forms 1098, 1099, 5498 and W-2G on magnetic tape and diskette are covered in the IRS Publication 1220. No attempts will be made to duplicate any of that material here due to the changeable nature of the federal data. Copies may be ordered from the IRS by calling (304) 263-8700.

As previously mentioned, we have incorporated fields of our own into the federal format to allow better control of the information returns. These fields and corresponding instructions are covered in the Data Specifications section. You are urged to become familiar with the format instructions outlined in the IRS Publication 1220 in conjunction with the material presented in this section.

Media Specifications

The following material defines the specific needs for each type and size of medium necessary for successful California reporting. Preparers who cannot comply because of system restrictions are urged to call the California Magnetic Media Unit and discuss the issue before filing.

Tape Reels

- Standard IBM OS/VS internal labels are preferred; however, all label configurations are allowed. If header and trailer labels are provided, they must be separated from the data records by a tapemark. The trailer labels should be followed by two tapemarks. The hexadecimal configuration for a tapemark is "13" (decimal "19").
- Multiple reel tape or cartridge files must be created consistently. For example: use the same number of records per block (block size); use the same EBCDIC or ASCII coding; and be sure all the tapes either have internal labels or all are without internal labels.

Tape Reels (Cont.)

- Tape records must be created in the fixed length mode, not variable length, and all data blocks must be an even increment of the record size. The current record size is 750 bytes. If the records are blocked at 40 records per block, the block size must be exactly 30,000 bytes. Blocks must not exceed 32,250 bytes.
- Returns should be maximized on the fewest number of reels/cartridges as possible in order to minimize processing and shipping costs. The federal information return format is structured to allow multiple return types; i.e., 1099-INT, 1099-MISC, etc., on the same medium file. You are urged to file in that manner.
- Transmitters may report on a standard magnetic tape reel. If tape reel is the chosen medium, the data must be written on 9 track 1/2 inch magnetic tape. Recording density may be 6250 or 1600 bits per inch (BPI).
- Tapes recorded in either EBCDIC or 7-bit ASCII may be submitted. However, those recorded in EBCDIC at 6250 BPI are preferred. Eight-bit ASCII files will not be accepted.

Tape Cartridges

The tape cartridges must meet American National Standard Institute (ANSI) standards and have the following characteristics:

- The cartridge must be IBM 3480/3490 compatible
- 1/2 inch tape in plastic cartridges which are approximately 4x5x1 inches
- 18 track parallel (3480 cartridges), 36 track (3490 cartridges)
- 4mm, 8mm and QIC cartridges are NOT readable by the Franchise Tax Board

3½ Inch Diskettes

The following diskette specifications must be complied with when filing California information returns.

- Must be a text file, not a backup
- Must be recorded in standard ASCII code
- Records must be fixed length 750 characters
- Delimiter character commas (,) must not be used

**3½ Inch Diskette
(Cont.)**

- Filename of either STATAX or IRSTAX should be used. The former is preferred. If a file consists of more than one diskette, add a 3 digit extension to the filename; e.g., STATAX.001, STATAX.002, etc.;
- No other file entries should appear in the directory on California's file copy.

**Compact Disk
(CD)**

- Reporting on CD is now acceptable by the Franchise Tax Board.
- Use a filename of either STATAX or IRSTAX
 - Record in standard ASCII coding structure
 - Records must be fixed length 750 characters
 - Positions 749-750 may be used for carriage return or line feed

Data Specifications

Transmitter “T” Record

Payer “A” Record

Footnotes

The specifications listed here cover: (1) the instructions for reporting California Supplementary Fields and (2) existing federal fields needing special qualification to meet minimal California needs. For those data fields not referenced here, report them exactly as stipulated in the IRS Publication 1220.

This record is reported in the same format as the federal “T” Record format. The “T” Record must be used only one time at the beginning of the entire file. If you send multiple media volumes, the “T” Record must appear at the beginning of the first volume only.

- Transmitter information is reported on the “T” record. The “A” record contains the payer information.

California Supplemental Fields and Instructions

RECORD NAME: Payer/Transmitter “A” Record

Field Title	Location	Document Type	Description/Remarks
Surname Indicator ¹	Position 41	ALL	Enter the letter “L” if the payees’ last names are reported first in the Payee “B” Record First Payee Name Line; e.g., Smith, John J. Otherwise, enter a blank.
Payer State Employer Account Number	Positions 404–411	1099-R	Required only if the reports are for 1099R returns. If they are, enter the first eight positions of the State assigned Employer Account Number (SEAN). If the eighth position is unknown, enter a zero. Blank fill this field if not 1099-R.

¹ If the corresponding Payee “B” Records contain valid Name Controls, i.e., the first four positions of the payee last name, this field may be left blank. Otherwise, code this field in accordance with the way the names of individual payees are reported, even if the returns are a mixture of individuals and businesses. If only businesses are reported then code this field blank.

Additional Field Instructions

- Payment Year – The four digits of the year for which payments are being reported. MUST BE INCREMENTED EACH YEAR.
- Amount Indicators – IRS frequently changes the indicator codes. Be certain that what was reported the previous year for your accounts is still relevant.

Payee "B" Record

Footnotes

California Supplemental Fields and Instructions

RECORD NAME: Payee "B" Record

Field Title	Location	Document Type	Description/Remarks
Non-California Return Indicator ¹	Position 352	ALL	If payee is not reportable to California, i.e., payee does not have a California filing requirement, enter an uppercase letter "X". Otherwise, enter a blank.

¹ This field was established to allow preparers to file an exact copy of their federal returns with California, and to designate selected returns nonreadable by California's programs. This field must not be used for reporting W-2G's (gambling winnings) to California or for submitting any returns through the Combined Federal/State Filing Program.

Additional Field Instructions

- Payment Year – Use the four digits of the year for which payments are being reported. MUST BE INCREMENTED EACH YEAR.
- Type of TIN – Enter a 1 to identify an account belonging to a business or an organization, or a 2 for an individual. If in doubt, enter a 1 if the first position of the TIN begins with a 7, 8 or 9. Enter a 2 for anything else.
- Payment Amount Fields – The entered amounts must agree with the codes placed in the Payer "A" Record Amount Indicators; e.g., if 1, 3 and 4 are entered, the Payment Amount fields 1, 3 or 4 may contain the applicable payment amounts. All unused Payment Amount fields must be zero filled.
- The "Branch Code" formerly required by California is now "Payer's Office Code", located in position 41-44 of the "B" record.
- The state income tax withheld field is now on a number of the 1099 Forms. If required, it is in position 723-734 of the "B" record.

End of Payer "C" Record

California Supplemental Fields and Instructions

RECORD NAME: Payee "C" Record

Field Title	Location	Document Type	Description/Remarks
Number of Payees	Positions 2–9	ALL	Enter number of Payee "B" Records reported to California in this payer group.
Control Total Fields 1–9, A–C	Positions 16–231	ALL	These are the relative totals of the amounts entered in the Payee "B" Record payment amount fields. These should be accumulated only for the "B" records reported to California. All unused fields must be zero-filled.
Control Total State Income Tax Withheld	Positions 707–724	ALL APPLICABLE TYPES	Enter the accumulated totals for state income tax withheld in the associated Payee "B" records. Totals must be right-justified and unused positions zero-filled, otherwise leave blank.

Additional Field Instructions

- Number of Payees — If possible, only enter the total of California payees; i.e., those records **not** coded with an "X" in California's Non-California Return Indicator field. Note: This is only an eight position field. If overflow is likely, separate the returns into two or more groups, each reported under a separate Payer "A" Record.
- Control Total Fields 1–9, A, B, and C — These field entries are relative to the amounts entered in the Payee "B" Record Payment Amount fields. All unused fields must be zero filled. If possible, only accumulate and enter the totals for California payees as suggested above.
- State Tax Withheld: the accumulated amounts for all state income tax withheld in the Payee "B" Records should appear in positions 707-724 of the "C" record.

**State Totals “K”
Record**

This record is only supplied to IRS on its Combined Federal/State Filing Program file. Omit it when filing directly with California.

**End of
Transmission
“F” Record**

This record is optional on California’s file. If reported, format it to federal specifications. An “F” Record should only be used once as the last record on the entire file.

Section C

Exhibits and Forms

State Abbreviations				
	State	Code	State	Code
	Alabama	AL	Missouri	MO
	Alaska	AK	Montana	MT
	American Samoa	AS	Nebraska	NE
	Arizona	AZ	Nevada	NV
	Arkansas	AR	New Hampshire	NH
	California	CA	New Jersey	NJ
	Colorado	CO	New Mexico	NM
	Connecticut	CT	New York	NY
	Delaware	DE	North Carolina	NC
	District of Columbia	DC	North Dakota	ND
	Florida	FL	Ohio	OH
	Georgia	GA	Oklahoma	OK
	Guam	GU	Oregon	OR
	Hawaii	HI	Pennsylvania	PA
	Idaho	ID	Puerto Rico	PR
	Illinois	IL	Rhode Island	RI
	Indiana	IN	South Carolina	SC
	Iowa	IA	South Dakota	SD
	Kansas	KS	Tennessee	TN
	Kentucky	KY	Texas	TX
	Louisiana	LA	Utah	UT
	Maine	ME	Vermont	VT
	Mariana Islands	MP	Virgin Islands	VI
	Maryland	MD	Virginia	VA
	Massachusetts	MA	Washington	WA
	Michigan	MI	West Virginia	WV
	Minnesota	MN	Wisconsin	WI
	Mississippi	MS	Wyoming	WY



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
ATTN: MAGNETIC MEDIA
(916) 845-3778
PO BOX 942840
SACRAMENTO CA 94240-6090

Magnetic Media Filing Application

Application is hereby made to transmit annual 1098/1099/5498/W-2G information returns to Franchise Tax Board on Magnetic Media.

Name of Firm (Transmitter)		Date:
Address:		Federal Employer Identification Number
City, State and ZIP Code:		Reporting will begin with Tax Year: _____
Contact for Technical Information (Name)	Title:	Telephone (Area Code & Ext.)

REPORTING INFORMATION

Please indicate the document type(s) you plan to file on Magnetic Media:	
<input type="checkbox"/> 1098	<input type="checkbox"/> 1099 <input type="checkbox"/> 5498 <input type="checkbox"/> W-2G
Do you plan to act as a transmitter for other Payers?	
<input type="checkbox"/> Yes <input type="checkbox"/> No	

MEDIA PREFERENCE

CARTRIDGE <input type="checkbox"/>	TAPE REEL <input type="checkbox"/>	CD <input type="checkbox"/>	DISKETTE <input type="checkbox"/>
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NOTE: 4mm or 8mm cartridges are not acceptable.

AUTHORIZED REPRESENTATIVE OF ORGANIZATION REQUESTING APPROVAL

Name (Type or Print)	Title	
Signature		Date



STATE OF CALIFORNIA
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-6090

**Transmittal of Annual 1098, 1099, 5498, W-2G Information
On Magnetic Media For Tax Year _____**

Date File Submitted _____

Part I — Please complete the following information.

Transmitter Information

FEIN: _____	Type of file represented: <input type="checkbox"/> Original <input type="checkbox"/> Correction <input type="checkbox"/> Replacement <input type="checkbox"/> Test
Current Name, Address, City, State, ZIP Code	Last Year's Name & Address if different this year

Payer Information

List name of payers and respective payee totals for the document types reported on this file.											
Name: _____						Name: _____					
FEIN: _____						FEIN: _____					
Amt. Codes	No. of Payees:		Document Type:			Amt. Codes	No. of Payees:		Document Type:		
1	\$		7	\$		1	\$		7	\$	
2	\$		8	\$		2	\$		8	\$	
3	\$		9	\$		3	\$		9	\$	
4	\$		A	\$		4	\$		A	\$	
5	\$		B	\$		5	\$		B	\$	
6	\$		C	\$		6	\$		C	\$	
Name: _____						Name: _____					
FEIN: _____						FEIN: _____					
Amt. Codes	No. of Payees:		Document Type:			Amt. Codes	No. of Payees:		Document Type:		
1	\$		7	\$		1	\$		7	\$	
2	\$		8	\$		2	\$		8	\$	
3	\$		9	\$		3	\$		9	\$	
4	\$		A	\$		4	\$		A	\$	
5	\$		B	\$		5	\$		B	\$	
6	\$		C	\$		6	\$		C	\$	
GRAND TOTAL of all payee records reported for all payers:						GRAND TOTAL of all payment amounts reported for all payers: \$					
NOTE: The dollar amounts totals above should be the same as those entered for each accumulated total on the 'C' record of your media file. A mismatch could cause delayed processing, or your file may be returned to you for correction.											
Signature _____ Title _____ Date _____											

Media Characteristics

TAPES/CARTRIDGES		Media No.	External Label No.	DISKETTES/COMPACT DISKS	
Internal Header Labels: <input type="checkbox"/> Yes <input type="checkbox"/> No Recording Mode: <input type="checkbox"/> EBCDIC <input type="checkbox"/> ASCII Record Length = 750 Blocksize =		1 of 2 of 3 of 4 of 5 of 6 of		Filename Used: _____ Density: <input type="checkbox"/> Single <input type="checkbox"/> Double	
Person to contact for media problems: Name _____ Telephone _____ Ext. _____					

Part II — PREPARATION INSTRUCTIONS

A. Form Preparation

Prepare a separate FTB 3601 Transmittal for each type of media; i.e., if your organization reports on both tape and diskette then each media must be accompanied by an FTB 3601 Transmittal. It must be prepared in the manner described below listing only the items and dollars that relate to the records designated for California.

Note: It is acceptable to copy the FTB 3601 Transmittal if you have too many payers to report on one page. A computer generated form is also acceptable if it contains all the required information.

1. Transmitter Information

- FEIN – The Federal Employer Identification Number of the agency sending the file to Franchise Tax Board.
- Indicate whether the media file is the original issue, corrections to individual records from your original file, a replacement for the entire original file, or a test file.
- Address of the agency sending the media file to the Franchise Tax Board. If there is any change in the name and address reported last year, enter both the new and the old information in the appropriate boxes.

2. Payer Information

- List the payer name, FEIN, the number of payee documents, the document type (e.g., 1099-INT), and the corresponding dollar amounts for each of the amount codes reported. If you are reporting more than four document types or payers, copies of the FTB 3601 transmittal form are acceptable.
- Accumulate and enter: (1) the total number of California payee "B" records reported for this payer, and; (2) the total dollars for all California payees reported in each payment amount field 1–9 and A–C for this payer. If this information is reported on an attached computer list, it must be carried forward to the "Grand Total" line, Part I of the transmittal.
- The signature line must be properly signed and dated by the person to whom the organization has delegated this responsibility. An organization transmitting for others may sign the form provided written permission was granted by the payer(s). If permission is granted, the organization becomes the payer(s) agent and assumes responsibility for data quality and completeness.

3. Media Characteristics

- Indicate the tape/diskette recording characteristics by filling in the necessary information and checking the appropriate boxes. This information should be obtained from someone in your data processing area.
- If your information is reported on magnetic tape reels, enter the reel sequence numbers so that we can process them in the proper sequence. Enter the corresponding external reel numbers assigned by your organization. If we experience any file problems, the reel numbers may be used as a point of reference when we call.

4. Contact Information

- Enter the name and telephone number of a person we can contact for technical information or to resolve media problems.

B. File Preparation

1. Affix a transmitter identification label to each tape reel, cartridge or diskette.
2. If multiple volumes are submitted, list the volume sequence numbers on the media labels (i.e., 1 of 2, 2 of 2). If only one media file is submitted, list it as "1 of 1".
3. Mark each label with the transmitter's name, type of reporting (ie., 1099, 1098, W-2G), and the tax year being reported.

Part III — MAILING INSTRUCTIONS

Complete this form as described above (Part II) and either ship or mail it with the media file(s) to:

SHIPPING

Magnetic Media
Service and Supply
Franchise Tax Board
9645 Butterfield Way
Sacramento CA 95827

U.S. MAIL

Magnetic Media
Franchise Tax Board
PO Box 942840
Sacramento CA 94240-6090

Part IV — INFORMATION CONTACT

For further information regarding magnetic media reporting please call the Franchise Tax Board Magnetic Media Unit at (916) 845-3778.



Firm Name:		Date:
Mailing Address:		Federal EIN:
City/State/ZIP Code:		Waiver Request for Tax Year: _____
Contact Name:	Title:	Telephone Number: ()

Note: Request must not exceed 90 days.

Request involves return types: 1098 1099 5498 W-2G

Briefly explain your need for an extension:

The approval of this extension is only for the filing of magnetic media returns to the Franchise Tax Board. The payer/employer is still obliged to provide payees/employees with their paper return copies postmarked by the prescribed due dates of May 31 for Form 5498 and January 31 for all other information returns. If the corresponding due date falls on a Saturday, Sunday or legal holiday, the due date is extended to the next business day.

Under penalties of perjury, I declare that I have examined this form, including any accompanying statements, and, to the best of my knowledge and belief, it is true, correct and complete.

Signature:	Title:	Date:
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STATE OF CALIFORNIA
FRANCHISE TAX BOARD
ATTN: MAGNETIC MEDIA
(916) 845-3778
PO BOX 942840
SACRAMENTO CA 94240-6090

Request for Waiver From Filing Information Returns on Magnetic Media.

Firm Name:		Date:
Mailing Address:		Federal EIN:
City/State/ZIP Code:		Waiver Request for Tax Year: _____
Contact Name:	Title:	Telephone Number: ()

1. This request is for the following returns: 1098 1099 5498 W-2G
 ☐ ☐ ☐ ☐
- Anticipated volume, all returns: _____
- If other, please identify type(s): _____
2. Is this the first year you have submitted a waiver request?
- ☐ Yes ☐ No
3. Does your company presently have access to a computer?
- ☐ Yes ☐ No
4. Reason for your waiver request _____
- _____
5. Have you been granted a waiver by the IRS? _____

Approved requests are valid only for the tax year indicated. Subsequent tax year waivers must be filed separately on Form FTB 6274 or the federal equivalent. If this waiver is approved, the applicable paper return copies must be filed with FTB by the filing due date of May 31 for Form 5498 and February 28 for all other information returns. If the corresponding due date falls on a Saturday, Sunday or legal holiday, the due date is extended to the next business day.

Under penalties of perjury, I declare that I have examined this form, including any accompanying statements, and, to the best of my knowledge and belief, it is true, correct and complete.		
Signature:	Title:	Date:

Guide to Information Returns Filed With California

If you are located in California and filing paper information returns with the IRS, you do not need to send a paper copy to the state. For additional filing information, see [How do I file paper information returns?](#) and [How do I file using magnetic media?](#)

Form	Title	What to Report	Amounts to Report	To State	To Recipient
1098	Mortgage Interest Statement	Mortgage interest (including certain points) you received in the course of your trade or business from individuals and reimbursements of overpaid interest.	\$600 or more	2/28	(To payer, borrower) 1/31
1098-E	Student Loan Interest Statement	Student loan interest received in the course of your trade or business.	\$600 or more	2/28	1/31
1098-T	Tuition Payments Statement	Qualified tuition and related expenses.		2/28	1/31
1099-A	Acquisition or Abandonment of Secured Property	Information about the acquisition or abandonment of property that is security for a debt for which you are the lender.	All amounts	2/28	(To borrower) 1/31
1099-B	Proceeds From Broker and Barter Exchange Transactions	Sales or redemptions of securities, futures transactions, commodities, and barter exchange transactions.	All amounts	2/28	1/31
1099-C	Cancellation of Debt	Cancellation of a debt owed to a financial institution, the Federal Government, a credit union, RTC, FDIC, NCUA, a military department, the US Postal Service, or the Postal Rate Commission	\$600 or more	2/28	1/31
1099-DIV	Dividends and Distributions	Distributions, such as dividends, capital gain distributions, or nontaxable distributions that were paid on stock, and distributions in liquidation.	\$10 or more, except \$600 or more for liquidations	2/28	1/31
1099-G	Certain Government Payments	Unemployment compensation, state and local income tax refunds, agricultural payments, and taxable grants.	\$10 or more for tax refunds and unemployment; \$600 or more for all others	2/28	1/31
1099-INT	Interest Income	Interest income not including interest on an IRA.	\$10 or more (\$600 or more in some cases)	2/28	1/31
1099-LTC	Long-Term Care and Accelerated Death Benefits	Payments under a long-term care insurance contract and accelerated death benefits paid under a life insurance contract or by a viatical settlement provider.	All amounts	2/28	1/31
1099-MISC	Miscellaneous Income (Also, use this form to report the occurrence of direct sales of \$5,000 or more of consumer goods for resale.)	<ul style="list-style-type: none"> Rent or royalty payments; prizes and awards that are not for services, such as winnings from TV or radio shows. Payments to crew members by owners or operators of fishing boats. Report payments of proceeds from sale of catch. Payments to a physician, physicians corporation, or other supplier of health/medical services. Issued mainly by medical assistance programs or health and accident insurance plans. Gross proceeds paid to attorneys. 	\$600 or more, \$10 or more for royalties. All amounts \$600 or more All amounts	2/28	1/31

Form	Title	What to Report	Amounts to Report	To State	To Recipient
1099-MISC	Miscellaneous Income (continued)	<ul style="list-style-type: none"> Payments for services performed for a trade or business by people not treated as its employees. Example: fees to subcontractors or directors, expenses incurred for use of an entertainment facility treated as compensation to a nonemployee, and golden parachute payments Substitute dividend and tax-exempt interest payments reportable by brokers. Crop insurance proceeds. 	\$600 or more \$10 or more \$600 or more	2/28	1/31
1099-OID	Original Issue Discount	Original issue discount.	\$10 or more	2/28	1/31
1099-PATR	Taxable Distributions Received From Cooperatives	Distributions from Cooperatives to their patrons.	\$10 or more	2/28	1/31
1099-R	Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRA's, Insurance Contracts, etc.	Distributions from retirement or profit-sharing plans, IRA's, SEP's, or insurance contracts.	All amounts	2/28	1/31
1099-S	Proceeds From Real Estate Transactions	Gross proceeds from the sale or exchange of real estate. This does not apply to the sale of a residence for \$250,000 or less (\$500,000 or less if married) if the seller provides written assurance: <ul style="list-style-type: none"> The residence is the seller's principal residence. There is no federally subsidized mortgage financing that is required to be reported, and The full amount of the gain is excludable. 	Generally, \$600 or more	2/28	1/31
5472	Information Return of a 25% Foreign Owned U.S. Corporation Engaged in a U.S. Trade or Business	Transactions between a 25% foreign- owned domestic corporation or a foreign corporation engaged in a trade or business in the U.S. and a related party as required by sections 6038A and 6038C.	See form instructions	Due date of income tax return	(To Participant for value of account) 1/31 (For contributions) 5/31
5498	Individual Retirement Arrangement (IRA) Information	Contributions (including rollover contributions) to an IRA, and the value of an IRA or simplified employee pension (SEP) account.	All amounts	5/31	(To payer) 1/31
8300	Report of Cash Payments Over \$10,000 Received in a Trade or Business	Payments in cash or foreign currency received in one transaction, or two or more related transactions, in the course of a trade or business.	Over \$10,000	Within 15 days after date of transaction	1/31
W-2	Wage and Tax Statement	Copies of W-2s are no longer required to be filed with the State of California. W-2s are required to be sent to the recipient and the Social Security Administration.	See W-2 instructions	N/A	1/31
W-2G	Certain Gambling Winnings	Gambling winnings from horse racing, dog racing, jai alai, lotteries, keno, bingo, slot machines, sweepstakes, and wagering pools.	\$600 or more	2/28	1/31